

ILLINOIS SELF-INSURERS ADVISORY BOARD  
ILLINOIS WORKERS' COMPENSATION COMMISSION  
MEETING MINUTES  
March 12, 2008  
Chicago, IL 10:00 A.M.

Attendees: Chairman Ruth, Alex Alexandrou (via conference call), Curtis Beam, Gerald Cooper, Paul McCloskey, David Taylor (via conference call), Jean Cannon, Wendy Davidson, Kevin Leach, Maria Sarli-Dehlin, Lynette Thompson-Edwards

Chairman Ruth called the meeting to order at 10:10 A.M. A previously prepared agenda was distributed, a copy of which is attached.

I. Minutes

Upon motion by Paul McCloskey, seconded by Gerald Cooper, the minutes of the Board meeting held on January 9, 2008, were unanimously approved as presented.

II. Chairman's Report

Chairman Ruth reported that he hopes to have three to five Insurance Compliance Division investigators hired by next quarter.

Chairman Ruth further reported the Commission had filed proposed amendments to the Illinois Workers' Compensation Medical Fee Schedule to create fee schedules for ambulatory surgical treatment centers, rehabilitation hospitals, and certain hospital outpatient services. Public hearings on the proposed rulemaking will be held on March 26, 2008 in Chicago and April 2, 2008 in Springfield.

III. Manager's Report

A. Bankruptcy Exposure to Security Fund

Maria Sarli-Dehlin presented the Board with the Bankruptcy Exposure to Security Fund report as of 12/31/07.

B. Security Fund Forecast

Maria Sarli-Dehlin presented to the Board the security fund forecast as of 12/31/07. She also presented a report of payments made by self-insured employers under bankruptcy protection that continue to pay workers' compensation benefits.

IV. New Business

Trending Factor

Maria Sarli-Dehlin reported that KPMG LLP had provided a preliminary analysis of the new trending factor in the amount of 5.7%.

Upon motion by Paul McCloskey, seconded by Gerald Cooper, the new trending factor of 5.7% was unanimously approved to be utilized for years 2008-2009 upon receipt of the formal report by KPMG LLP.

At 10:25 A.M., the Chairman moved to go into closed session to discuss litigation/attorney's report pursuant to 2(c)11 of the Open Meetings Act. The Board voted unanimously to adjourn the public portion of the meeting, after which the Board convened in closed session.

After closed session, the Board reconvened in open session at 10:50 A.M.

A presentation was made by MMC Securities to the Board regarding an alternative collateral program being utilized in California and North Carolina.

There being no further business, the meeting adjourned at 12:30 PM.